

*City of San José*

## ***Coyote Valley Specific Plan***

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### **Summary of Affordable Housing Focus Group Meeting #7**

**September 26, 2006**

**City Hall, Room T-332**

#### **Affordable Housing Focus Group Members Present**

Beverley B. Bryant (HBANC), Kevin Griffith (BRIDGE Housing), Sarah Muller (Working Partnerships USA), Dan Hancock (CHG), Bob Brownstein (WPOSA), Kerry Williams (CHG), Stephanie Schaaf (EHC Life Builders), and Chris Block (CHDC).

#### **City Staff Present**

Susan Walsh (PBCE), Stefanie Hom (PBCE), Jared Hart (PBCE), Mike Meyer (Housing), and Rebecca Flores (Housing).

#### **Consultants Present**

Roger Shanks (Dahlin Group), Darin Smith (Economic and Planning Systems), and Eileen Goodwin (Apex Strategies).

### **1. Welcome and Introductions**

Eileen Goodwin, with Apex Strategies, welcomed everyone to the seventh Coyote Valley Specific Plan (CVSP) affordable housing focus group meeting. The meeting began with introductions around the room.

### **2. Agenda Review**

Eileen reviewed the meeting agenda. The purpose of the meeting was to review the CVSP draft affordable housing opportunity site map and to get comments from the focus group.

### 3. Review Draft Affordable Housing Opportunity Site Map

Mike Meyer, with the Housing Department, reviewed the draft Affordable Housing Opportunity Site Map. There are a number of maps that indicate various sites that apply to criteria that make a project eligible for external funding. The housing department is looking for general vicinities, not specific locations. As criteria changes over time, the opportunity sites should be flexible enough to be able to adapt so projects succeed in getting state funding.

Roger Shanks, with the Dhalin Group, presented diagrams showing the location of all multi-family sites within CVSP that are planned for 3 or 4 story structures. He also presented an overlay map identifying opportunity sites located within quarter and half mile of five criteria: parks, transit, schools, retail, and mixed-use. The criteria were developed in order to get the most funding. Re-identifying affordable housing sites would require changing the land use plan by moving land uses around.

The affordable housing focus group members had the following questions and comments:

- How were these land uses developed? Was there outside stakeholder involvement? *Roger indicated that staff has been developing the Plan with the Task Force and property owners over the last two years.*
- The land use plan is too prescriptive; there needs to be more flexibility.
- Is there flexibility in locations of retail and mixed use? The Plan should specify a density range so there is flexibility in meeting the range, rather than specifying sites block by block.
- If the plan becomes more flexible, then there will be more affordable housing opportunity sites.
- Mixed-use and retail should be considered as a single category.
- School locational criteria also includes junior colleges. *Roger indicated the maps do not include Gavilan College.*
- Busses within 30 minute headway counts as a transit stop.
- Proximity to transit is the highest priority.
- Is the Greenbelt included in proximity to parks? *Proximity to the Greenbelt ballfields was included.*
- Suggested using mixed-use sites for affordable housing sites. *Susan indicated they have recommended that affordable housing sites, (that are 100% affordable), may be located on mixed use sites when in conjunction with lower floor office and retail.*
- Having affordable-mixed use sites would allow for more flexibility. *Susan indicated there will be a density bonus to allow building heights up to 75 feet tall.*
- The criteria does not differentiate levels of affordability. i.e. ELI and VLI housing can be designated in the limited areas that meet all criteria. *Roger indicated the map indicates opportunity sites only and not levels of affordability; that is determined by the Housing Department.*
- To achieve funding for ELI units, it will be necessary to address all five of the site criteria.
- The site locations should be as open as possible.
- Sites should allow for 80 – 130 units.
- No one envisions projects that are all ELI, but it's easy to envision project that are not ELI at all. The sites that maximize all criteria are site that have some ELI in it.

- ELI units and VLI units are generally developed together.
- Recommended affordable housing sites should be identified when each phase of the CVSP is determined.
- No sites should be dedicated up-front, but money should be provided to allow the Department to purchase the desired sites.
- Affordable housing units should be in proportion to the market rate units. But the affordable units should not delay the construction of market rate units.
- If affordable housing units are not developed, then permits should still be able to be pulled for the market rate units.
- There needs to be 88 acres for the multi-family affordable units and five acres for the Habitat for-sale units.
- Change in direction away from identifying specific affordable housing sites could create challenges to the funding of these sites.

Roger indicated the map was intended to generate sites up front, but they will be modifying the plan and the maps as they continue to research the criteria required for affordable housing funding.

#### **4. ELI Funding Strategies**

Mike reviewed funding sources are available for the ELI. The housing department would make available RDA or 20% funds, up to maximum 25% to increase the affordability of units in Coyote Valley from ELI to VLI. Beyond that, the City Council directed staff to see what other funding sources are available. There are several major funding sources that will run out around 2007, so funds for ELI housing will be gone.

The affordable housing focus group members had the following questions and comments:

- It is possible with the right set of circumstances to do ELI without additional dollars. The plan is to pass 1-C, which is targeted towards ELI, then build on the success of proposition 46 and 1-C. The state will have an identified source of funding for ELI housing that is not voter specific every time. Coyote Valley is a huge political tool for what we are trying to advocate. We will have all this opportunity sitting there for lack of permanent funding sources from the state. Also, things change all the time at the federal level. More section 8 vouchers can be a way to make it happen. Section 8 for 10 years, taking ELI housing and adding a cost effective voucher to it, which doesn't need additional City money.
- there are funds available through the county and proposition 63 that can help fund ELI housing.
- RDA funds up to 25% can be made available to CVSP to buy down affordability levels.
- Is it possible to use the equity share that is generated with the resale of affordable for sale units to help fund the ELI housing? *Mike indicated it is something they can look into.*
- If the projects are all privately financed, how strict will the resale regulations be? Suggested having restrictions on for-sale units.
- As one affordable unit goes out off the market and the equity is used to fund another ELI unit, there will be no new additional ELI units.

- Have not done a good job on acknowledging how good of a job this focus group has done. Suggested writing an article or doing a radio show to talk about affordable housing issues.

## **5. Wrap-Up/Adjourn**

Eileen thanked everyone for coming. There are no Housing Focus Group meetings planned in the near future.

The meeting adjourned at approximately 4:40 p.m.